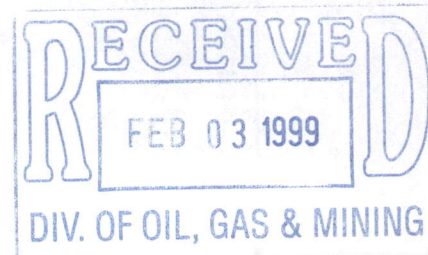


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1/98 To (mo./yr.) 12/98
2. DOGM File Number (Mine No): M 10191005
3. Mine Name: CANE CREEK
4. Mineral(s) Mined (or permitted to mine): POTASH & SALT
5. Type of mine ☐ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected): ☒ SOLUTION MINE
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township 26S, Range 20E, 21E
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township 27S, Range 20E, 21E
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
7. Name of Operator or Company: MOAB SALT, INC.
8. Permanent Street Address: P.O. Box 1208
City, State, Zip: MOAB, UTAH 84532
Phone: 435-259-7171
9. Company Representative (or designated operator):
Name: ERIC K. YORK
Title: GENERAL MANAGER
Business Address: P.O. Box 1208
City, State, Zip: MOAB, UTAH 84532
Phone: 435-259-7171
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? 367,364 TONS

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
N/A
5. How much **additional acreage** was disturbed during the past year? 0
6. How much acreage was **reclaimed** during the past year? 0
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
NONE
8. What is the **total** disturbed acreage of entire project at years end? 1004
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.
PLAN ON RE-SEEDING DRILL SITES

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

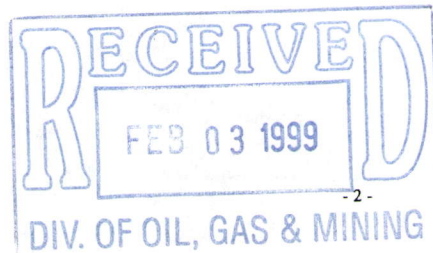
Name (Typed or Print): ERIC K. YORK

Title of Operator: GENERAL MANAGER

Signature of Operator: Eric K. York

Date: 1-31-99

jb
a:\forms\MR-AR



State of Utah
Division of Oil Gas & Mining
Mining/Exploration Summary

02/08/1999

LARGE MINING OPERATION

Permt # **M190005**

Name: **CANE CREEK POTASH MINE**

Permit Status

Status: **APP** Approved:
Recieved: **06/03/1977** **11/29/1989**
Tent Appr: **07/11/1989**

Mine Status

Status: **ACT**
Date: **09/04/1998**

Ownership

Surface: **FEE,SIT**
Mineral: **FEE,SIT**

Location

UTMX: **617,233**
UTMY: **4,264,323**

Methods

Minerals Mined/Explored: **SALINES/POTASH**

Surf/Under: **UNDERGROUND**

Methods Used:

Bonding

Approved Acres	Acres Released	Date Released
1002	0	/ /

Bond Type
SELF/BRD CONT/SURETY

Bond Amount: Date Bond Expires:
\$ 10,625,000 **12/14/1999**

Permit Fees

Date Sent	Date Received
06/26/1998	07/13/1998

Fee Received Cash Receipt
\$ 750 **9NR0G000005**

Deliquent Notice
/ /

Comments:

INSPECTION WAS CONDUCTED TO FAMILIARIZE NEW PERSONNEL W/OPERATION AND REVIEW CURRENT STATUS. COLLECTION SUMPS, PUMPS & PIPELINES ARE USED TO PREVENT SALT SOLUTION FROM REACHING THE COLO. RIVER. OPERATOR WILL BEGIN TESTING SOIL DESAL- INIZATION PROCESS IN NEAR FUTURE. SALT TOLERANT PLANTS WILL BE USED TO REVEGET. INSPECTION TO EVALUATE THE STATUS OF THE CONCEPTUAL WATER CONTROL PLAN MOAB SALT IS WORKING OUT WITH DWQ BEFORE FINAL APPROVAL OF THE DOGM PERMIT CAN BE MADE. FINAL APPROVAL LETTER SENT 12/22/97 APOLOGIZING FOR THIS HANGING OUT.

Last Action

Action:

Start Date: **/ /**

End Date: **/ /**

Last Inspection

Date **11/04/1997**

Inspector

Last Annual Report 1998

Acreage: **1,004.0**

Acr Reclaimed: **0.0**

Production: **367,364 T**

Last Agency Action

Agency: **SITLA**

Agency ID: **ML 9638**

Date: **/ /**

Operator MOAB SALT INCORPORATED

Oper Id: **559**

TaxID

Contact: **ERIC YORK**

Address: **PO BOX 1208**

Phone: **(435) 259-7171**

Fax

MOAB UT 84532

E-Mail

Location

Qqqr	Qqtr	Qtr	Section	Township	Range	Merid	Quad Sheet
	SE	SE	24	S26.0	E20.0	S	

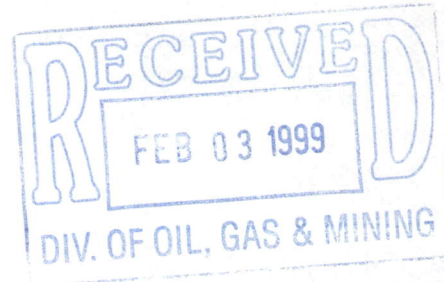


MOAB SALT, INC.

P.O. Box 1208, Moab, Utah 84532 • OFFICE 435-259-7171 • FAX 435-259-7100

January 31, 1999

Mr. D. Wayne Hedberg
Division of Oil, Gas and Mining
Department of Natural Resources
Box 145801
Salt Lake City, Utah 84114-5801



Re: Annual Report
Cane Creek Mine M/019/005

Dear Mr. Hedberg,

As per the Division's Rules R647-3-116 and R647-4-121, please find enclosed Moab Salt, Inc.'s annual report for 1998.

If you require additional information, please contact me.

Sincerely,

Eric K. York
General Manager